



# MONTANA-DAKOTA

UTILITIES CO.

A Division of MDU Resources Group, Inc.

400 North Fourth Street

Bismarck, ND 58501

(701) 222-7900

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PUBLIC SERVICE  
COMMISSION

March 3, 2009

Ms. Kate Whitney, Administrator  
Utility Division  
Montana Public Service Commission  
1701 Prospect Avenue  
Helena, MT 59620

RE: Renewable Resource Standard  
Annual Report- Compliance Year 2008

Dear Ms. Whitney:

Montana-Dakota Utilities Co., a Division of MDU Resources Group, Inc. (Montana-Dakota), herewith submits an original and ten copies of its Annual Report regarding compliance with the Renewable Energy Resource Standard pursuant to 69-3-2004 MCA.

Montana-Dakota was required to procure a minimum of 5 percent of its retail sales of electric energy in Montana from eligible renewable resources pursuant to 69-3-2004 (2) MCA.

Montana-Dakota's total electric retail sales in the State of Montana were 694,343,691 Kwh in calendar year 2008. This results in a requirement to provide 34,717,185 Kwh through renewable energy resources in 2008.

Montana-Dakota met that requirement with the electric energy produced out of its 19.5 MW Diamond Willow wind farm placed into service in December 2007 and is located in Fallon County near Baker, Montana. The Montana Public Service Commission (Commission) certified the Diamond Willow 19.5 MW project as an eligible renewable resource in its Notice of Commission Action issued on March 7, 2007.

Montana-Dakota's electric operations are within the boundaries of the Midwest Reliability Organization and the Diamond Willow wind resource was registered on the Midwest Renewable Energy Tracking System (M-RETS). The Diamond Willow resource has been designated with an identifier of "M-152" in the M-RETS system. The M-RETS Administrator issues one electronic Certificate for each MWh of energy generated by Diamond Willow and a unique serial number is assigned to each Certificate.

Montana-Dakota transferred the following certificates to its Retirement Subaccount on February 24, 2009 to meet its obligations under Montana's Renewable Resource Standards.

<u>Diamond Willow Certificate</u>	<u>Quantity</u>
Dec-07 152-MT-12-2007-1323-1 to 15	15
Feb-08 152-MT-02-2008-1741-1 to 5031	5,031
Mar-08 152-MT-03-2008-1925-1 to 6260	6,260
Apr-08 152-MT-04-2008-2177-1 to 5120	5,120
May-08 152-MT-05-2008-2381-7211 to 7863	653
May-08 152-MT-05-2008-2311-1 to 7210	7,210
Jun-08 152-MT-06-2008-2645-1 to 5130	5,130
Jul-08 152-MT-07-2008-2967-1 to 4351	4,351
Aug-08 152-MT-08-2008-3166-1 to 948	<u>948</u>
Total of Certificates Retired	34,718

The Retirement Subaccount on M-RETS shows the serial numbers of the Certificates retired, the date of retirement, and the reason for retirement. The Retired Certificates cannot be moved or transferred out of the retirement account.

The Commission has access to reports on M-RETS in order to validate the certificates retired to comply with Montana-Dakota's Renewable Resource Standard for calendar year 2008.

Please acknowledge receipt by stamping or initialing the duplicate copy of this letter attached hereto and returning the same in the enclosed self-addressed, stamped envelope.

Sincerely,



Donald R. Ball  
Vice President – Regulatory Affairs